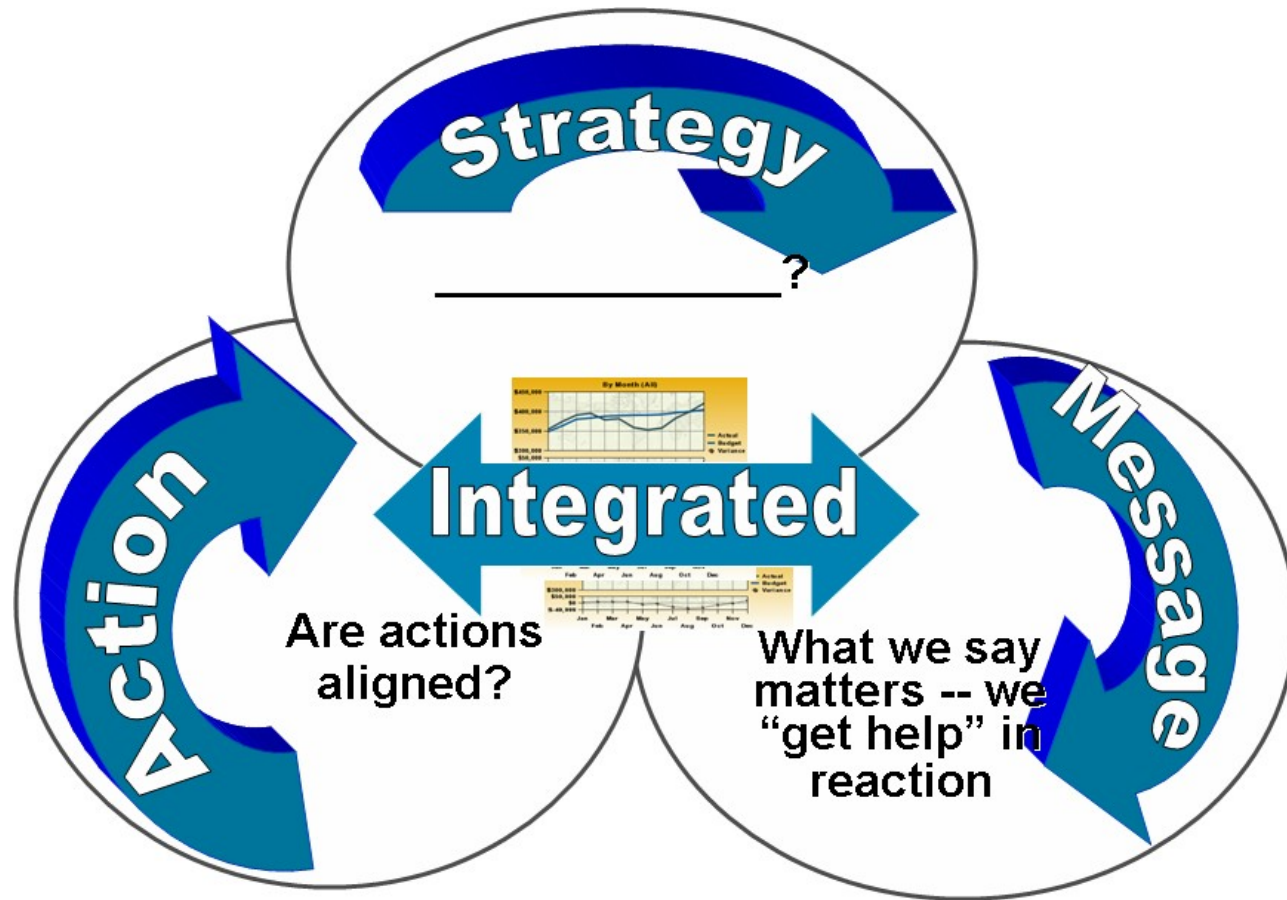




Human Capital Strategy Review



Shaping the Future Defense Acquisition Workforce





Strategic Objectives

852 Workforce Development Fund

- **Address the Aging Acquisition workforce**
 - **Intern Initiatives**
- **Improve DoD Contract Management**
 - **DCMA Initiatives**
- **Improve and address AT&L Career Fields**
 - **Competency Assessment**
 - **Right Functional Structure - 12 to 7 / 5 ?**
- **Objectively Address AT&L Workforce Size:**
 - **Program Management Office Staffing**
 - **Contractor Support Size/Mix**
 - **Retention Initiatives**
 - **Direct Hiring Authority**

FOCUS ON MDAPS : 5 / 20 = 65 / 85



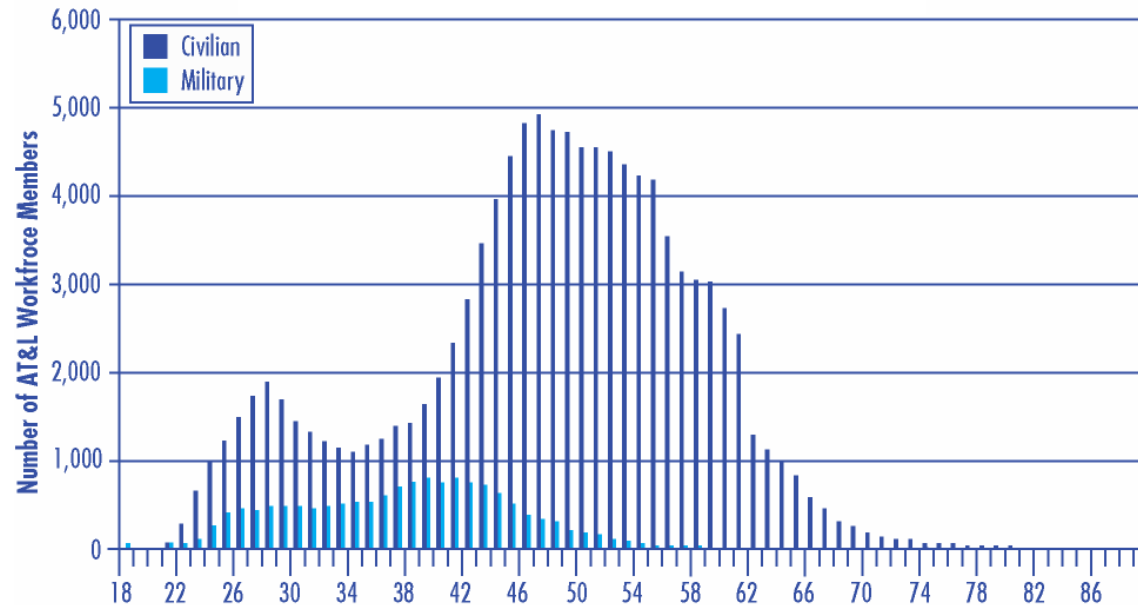
Strategic Objectives

852 Workforce Development Fund

- **Improve Workforce Quality:**
 - **Interns**
 - **HQE/Advanced Journeymen**
 - **Training:**
 - DAU
 - Services
 - **Competency Initiatives**
 - **Leadership Development Initiatives**
- **Enhance workforce Planning:**
 - **Data Analysis**
 - **Data Driven Decisions**
 - **Transparency**
 - **Data Green Initiative / Data Clean-up**



AT&L Workforce Age and Generation breakdown



Generation	National*		DoD**		Civilian AT&L Workforce***	
	Workforce (millions)	% Workforce	Workforce	% Workforce	Workforce	% Workforce
Silent Generation (born before 1946)	7.4	4.8%	45,625	6.7%	6,624	5.9%
Baby Boomers (1946-64)	56.7	36.5%	438,971	64.5%	74,887	67.3%
Generation X (1965-76)	41.8	26.9%	132,948	19.5%	18,544	16.7%
Generation Y (1977-1989)	42.8	27.5%	62,676	9.2%	11,286	10.1%
Millenium (1990-present)	6.6	4.3%	153	0.0%	0	0.0%

Notes:

*Source: Projected 2010 workforce size - DAU analysis using Bureau of Labor Statistics workforce participation data (Dec 2007) and US Census Bureau population data (2004)

**Source: OSD P&R Report: DoD Civilian Workforce Statistics/DoD Demographics/May2006 Edition

***Source: AT&L Datamart FY07 AT&L Workforce Count/AT&L workforce data contains 456 files with null for age



The Workforce Analysis Tools

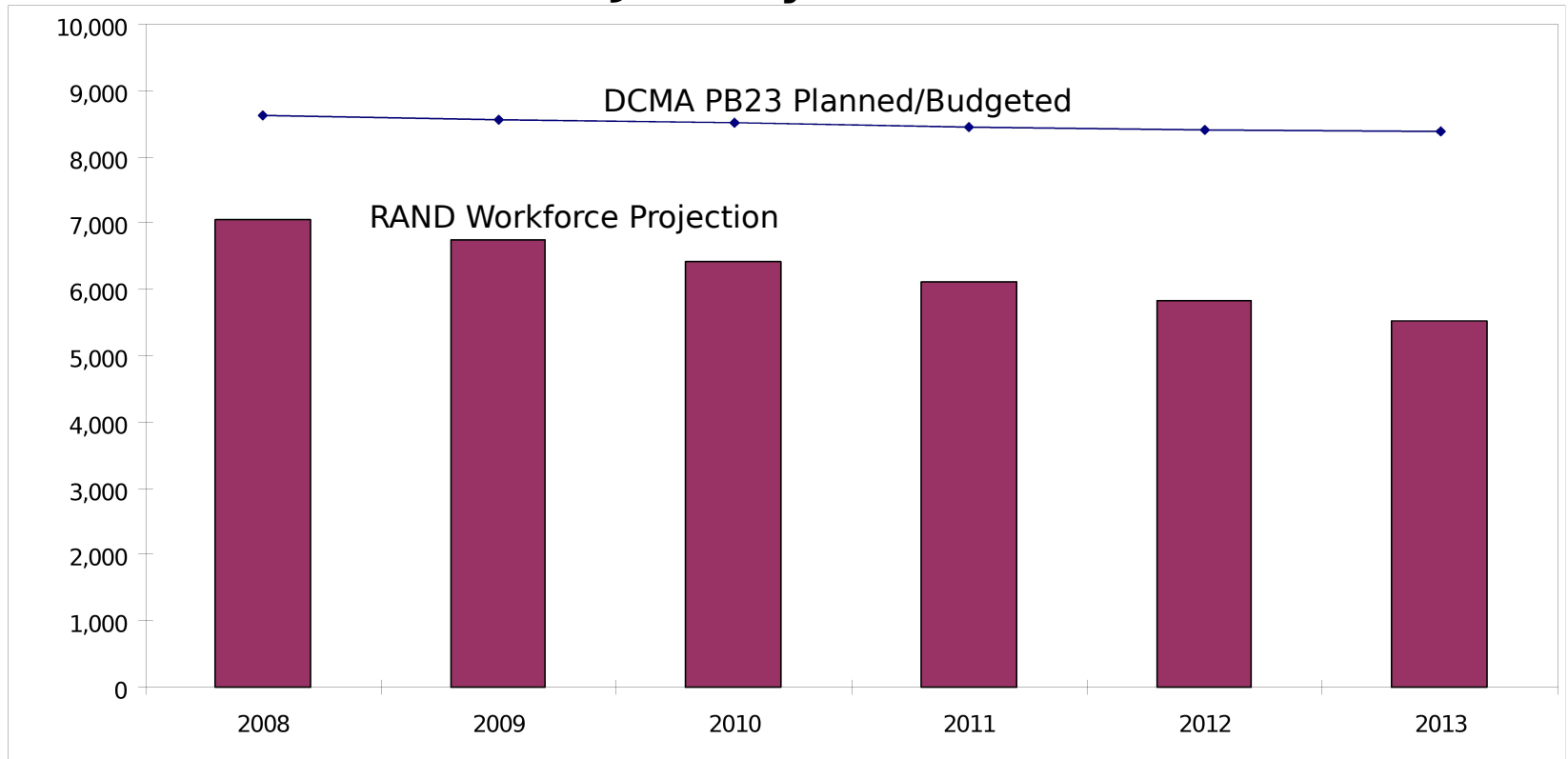
- **The AT&L workforce Data Mart** - Supports workforce analysis on a real time and historical basis for the Defense Acquisition Workforce
- **The "PB23"** - Planned/Budgeted Acquisition Workforce - Documents, by Component and acquisition career field, the planned/budgeted organic acquisition workforce size through the Future Years Defense Plan (FYDP).
- **Workforce Lifecycle Model** - A visual display of workforce career lifecycle in three cohort groups - Future (early career) workforce, Mid-career and Senior-career.
- **RAND Inventory Projection Model** - Provides the user an ability to identify the impact of potential gain/loss rates and other assumptions on future workforce inventory.
- **Gains/Losses Tracking** - Supports detailed analysis on migrations in and out of the workforce
- **Competency Assessment Models** - Not completed in all career fields but underway with the support of CNA



DCMA Acquisition Workforce Gap Assessment/Planned (PB23) vs Projected

Analysis indicates for FY13 DCMA's planned (PB23) civilian FTEs will be short by 2,852 (34%). This means that DCMA would need to increase its recruiting/retention by an average of 570 per year to mitigate the shortfall. Projection is based on experienced hiring and retention rates, continued internal reassignments, retirement probability estimates by year group which includes increasing number of retirement eligible's.

January 2008



PB23	8,618	8,565	8,508	8,442	8,413	8,381
RAND	7,049	6,739	6,429	6,122	5,820	5,529
Net	-1,569	-1,826	-2,079	-2,320	-2,593	-2,852

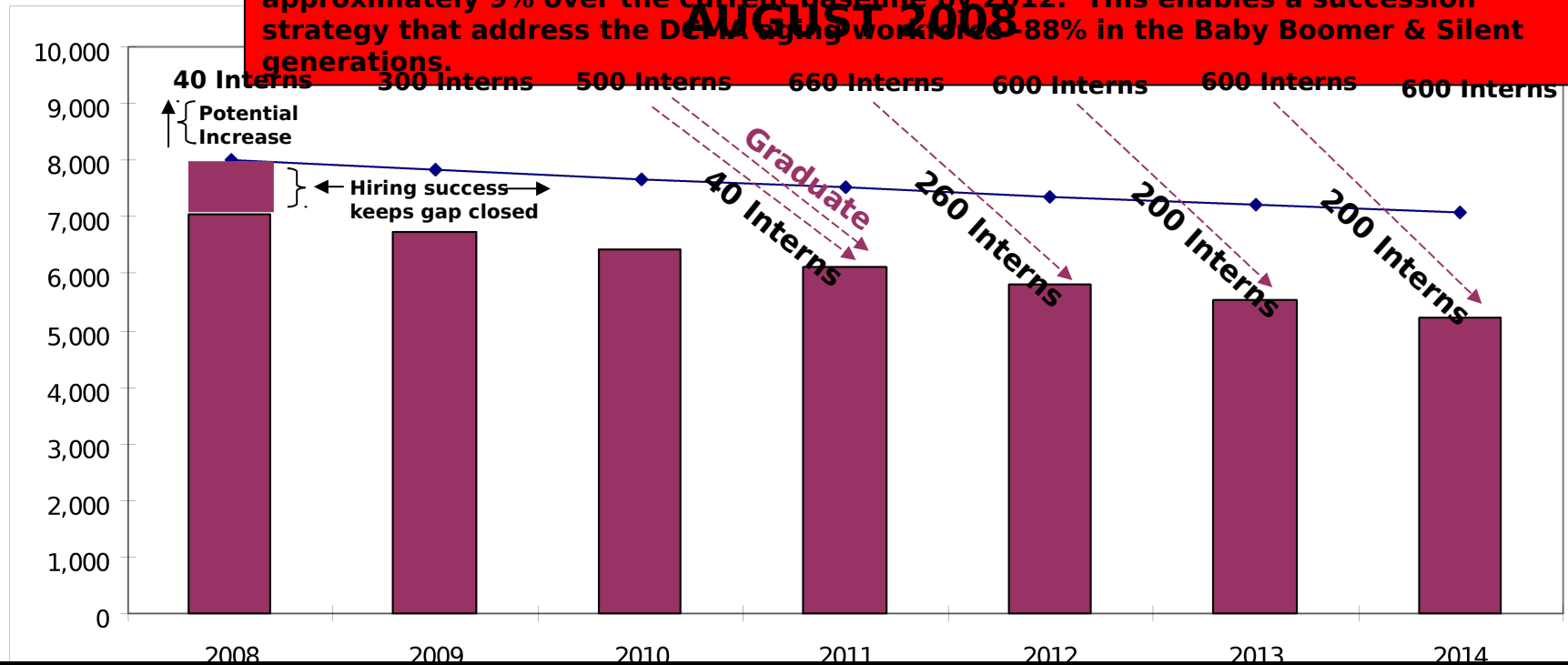


DCMA Acquisition Workforce Gap Assessment/Planned (PB23) vs

Projected

DCMA has an ongoing initiative to increase its workforce size based on workload requirements. Using the Defense Acquisition Workforce Fund, DCMA proposes to expand intern hiring by 200 annually "above" the Planned/Budgeted workforce (Aug 2008 PB-23 submission). This will help mitigate the impact of projected DCMA retirements and other losses. This intern pipeline provides an effective increase of approximately 9% over the current baseline by 2012. This enables a succession strategy that address the DCMA aging workforce - 88% in the Baby Boomer & Silent generations.

AUGUST 2008

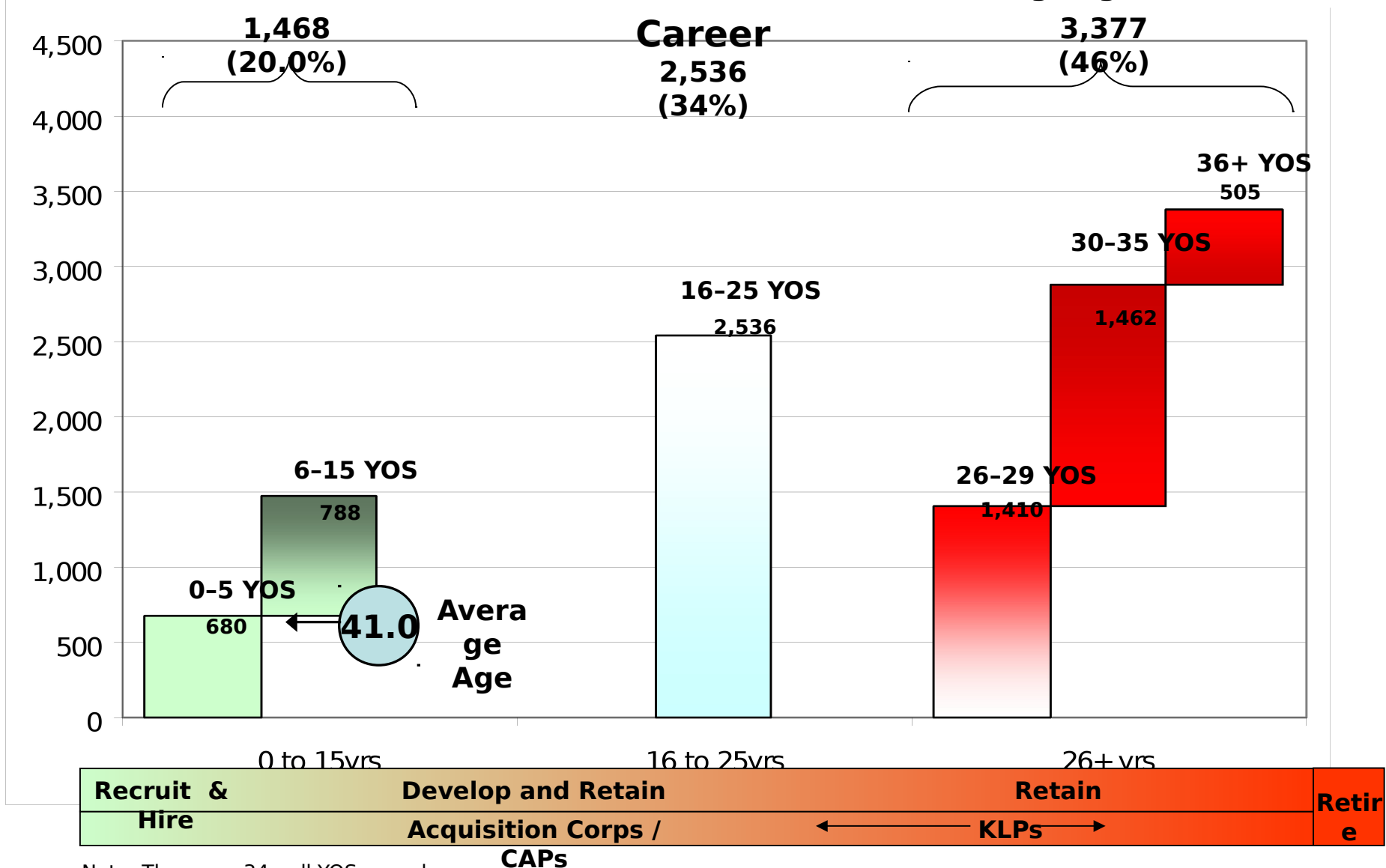


	2008	2009	2010	2011	2012	2013	2014
PB23	7,997	7,836	7,678	7,522	7,370	7,221	7,074
RAND		6,739	6,429	6,122	5,820	5,529	5,238
Gap		-1,097	-1,249	-1,400	-1,550	-1,692	-1,836
intern add to baseline				40	260	200	200
Planned Hiring		1,097	1,249	1,360	1,290	1,492	1,636



Defense Acquisition Workforce Life-Cycle Model

Civilian Years of Service (YOS) DCMA (Average age: 52.3)



Note: There are 34 null YOS records



DCMA Acquisition Workforce Gap Assessment Planned/Budgeted (PB23) vs Projected

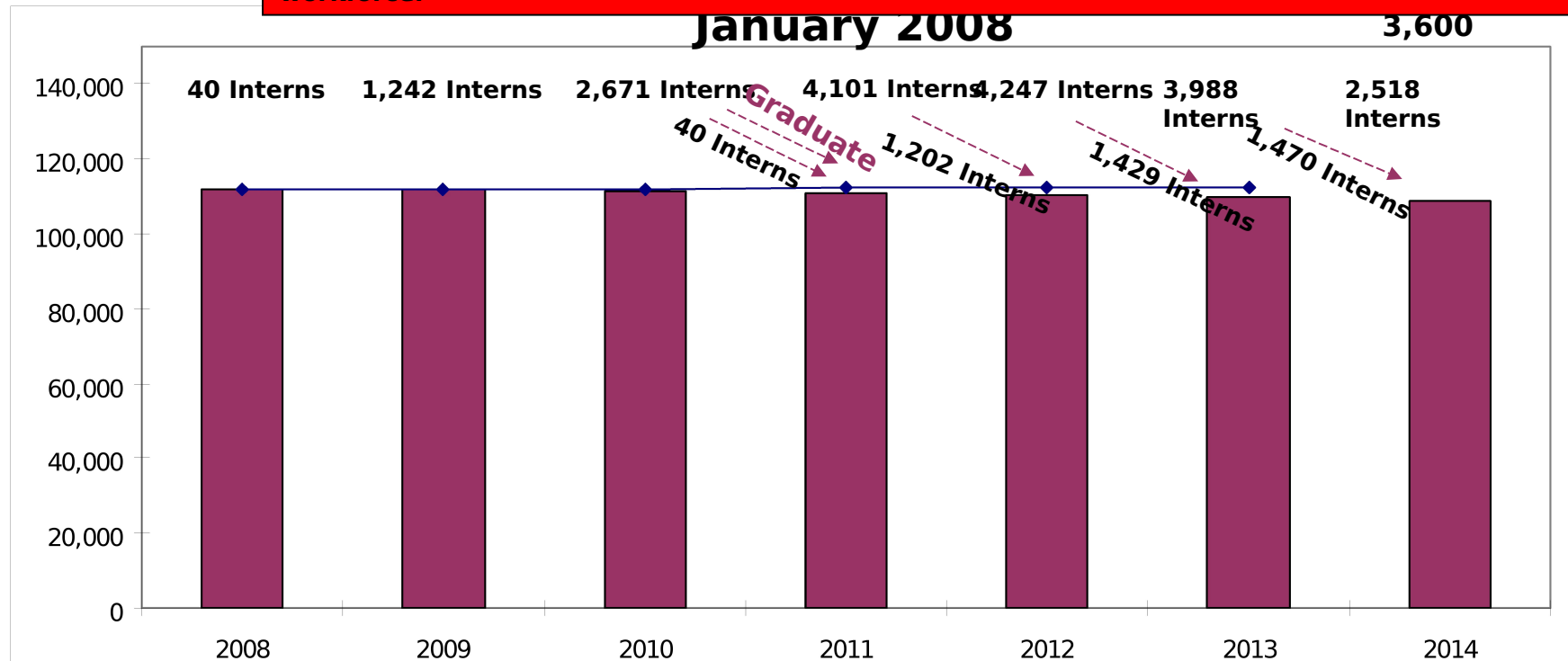
AUGUST 2008

- Development of new weapons systems, new technology, increased requirements for contract oversight and declining workforce have severely impacted DCMA's ability to respond to the greatly increased needs for DAWIA certification among its workforce.
- DCMA's efforts to increase DAWIA qualifications have been hampered by an increased loss of DAWIA qualified DCMA personnel, increasing workload, and decreased funding to educate new accessions.
- August 2008 PB23 data reflects decrease in acquisition positions – resulting from Data Green Initiative currently underway; coding errors corrected; validity of data improved.
- Some career field coding changes for military



Defense Acquisition Workforce (Civilian) Gap Assessment/Planned (PB23) vs Projected

The Components will submit an updated planned/budgeted (PB23) to OSD PA&E August 2008. We expect the updates will reflect some increases in the budgeted workforce. These include the Army's commitment to their contracting workforce; the Navy has indicated that it will grow their acquisition workforce; and DCMA is requesting an increase in the size of their acquisition workforce.



PB23	111,783	111,923	112,024	112,177	112,217	112,294	N/A
RAND	112,014	111,688	111,248	110,734	110,161	109,539	108,847
Net	231	-235	-776	-1,443	-2,056	-2,755	N/A
Intern add to baseline				40	1,202	1,429	1,470
Planned Hiring		235	776	1,403	854	1,326	N/A

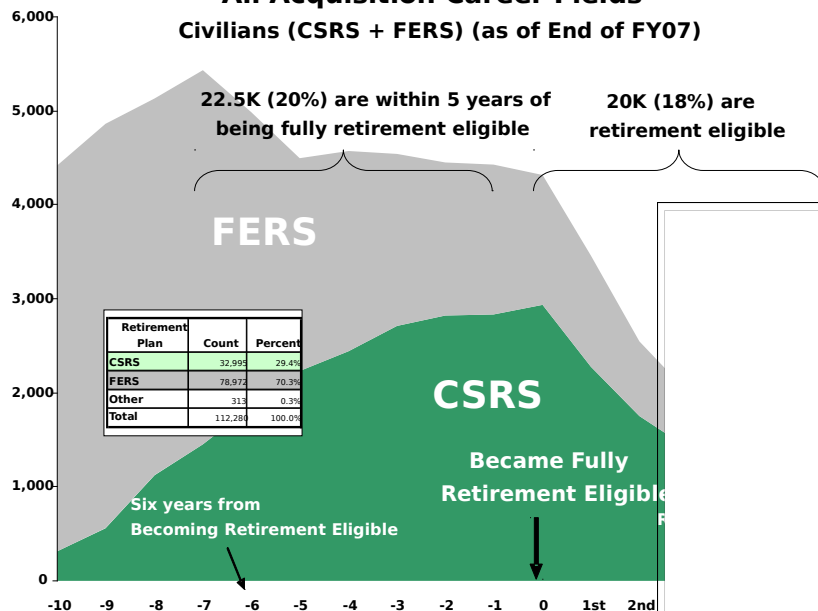


Defense Acquisition Workforce Retirement Behavior

Defense Acquisition Workforce Retirement Risk

All Acquisition Career Fields

Civilians (CSRS + FERS) (as of End of FY07)

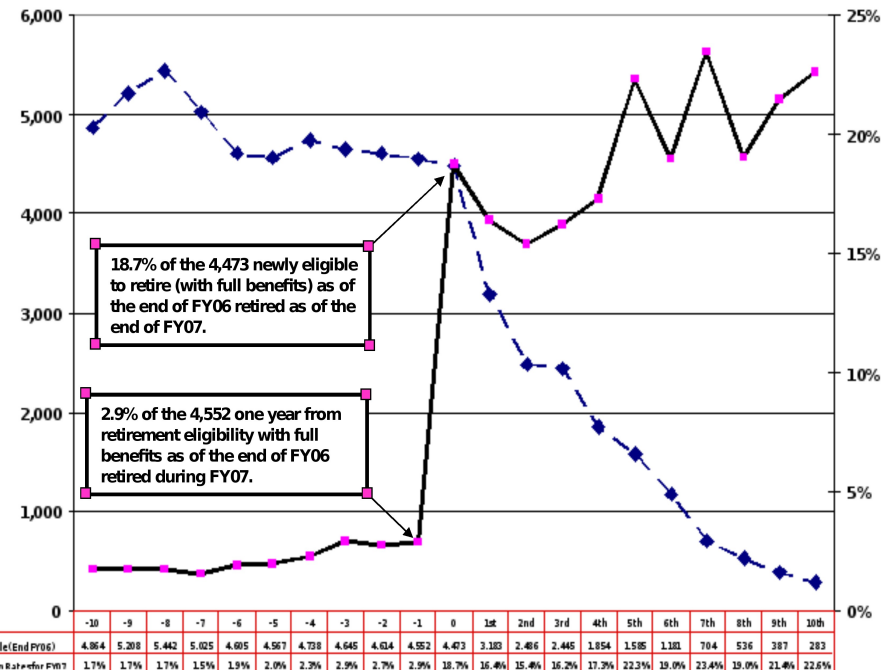


	<-10	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	0	1st	2nd
Total														
Percent	40.0%	3.9%	4.3%	4.6%	4.8%	4.4%	4.0%	4.1%	4.0%	4.0%	3.9%	3.9%	3.1%	2.3%
Number	44,910	4,422	4,871	5,135	5,429	4,990	4,495	4,587	4,544	4,457	4,427	4,327	3,472	2,578
CSRS														
Percent	0.9%	0.9%	1.7%	3.4%	4.4%	5.6%	6.8%	7.4%	8.2%	8.5%	8.6%	8.9%	6.9%	5.3%
Number	298	311	555	1,129	1,451	1,848	2,236	2,442	2,712	2,821	2,828	2,928	2,270	1,748
FERS														
Percent	56.4%	5.2%	5.5%	5.1%	5.0%	4.0%	2.9%	2.7%	2.3%	2.1%	2.0%	1.8%	1.5%	1.0%
Number	44,564	4,108	4,316	4,008	3,977	3,135	2,253	2,129	1,825	1,630	1,594	1,393	1,187	798
Other (313)														

Source: AT&L graph based on RAND analysis data from DMDC EOFY07iv Personnel Master File Appropriated Funds

Data Analysis for all 7 Mission Critical Acquisition Career Fields

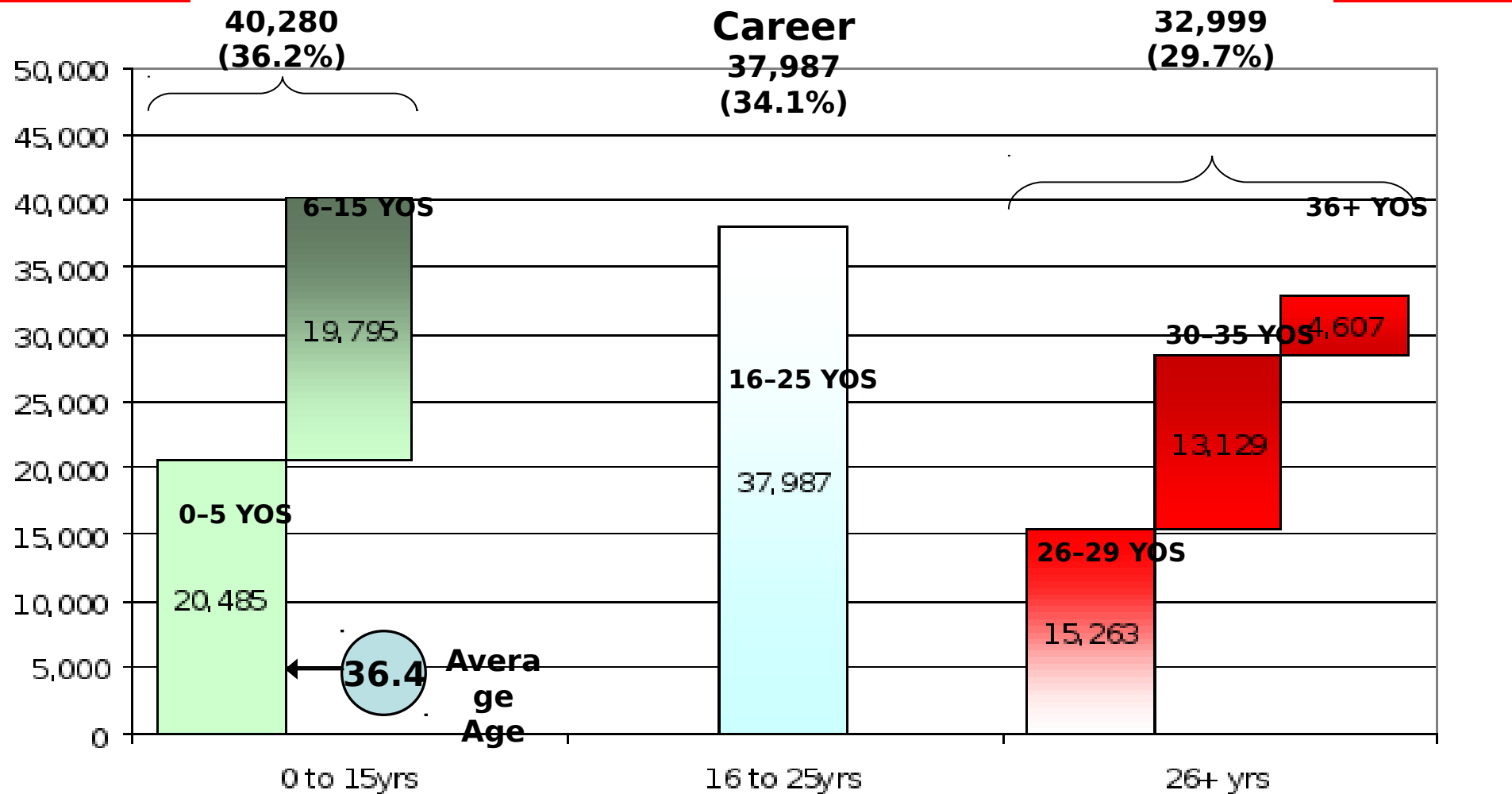
Retirement Eligibility End of FY06 vs Experienced FY07 Separation Rates





AT&L Workforce Life-Cycle Model

Civilian Years of Service (YOS) ALL AT&L (Average age: 47.3)

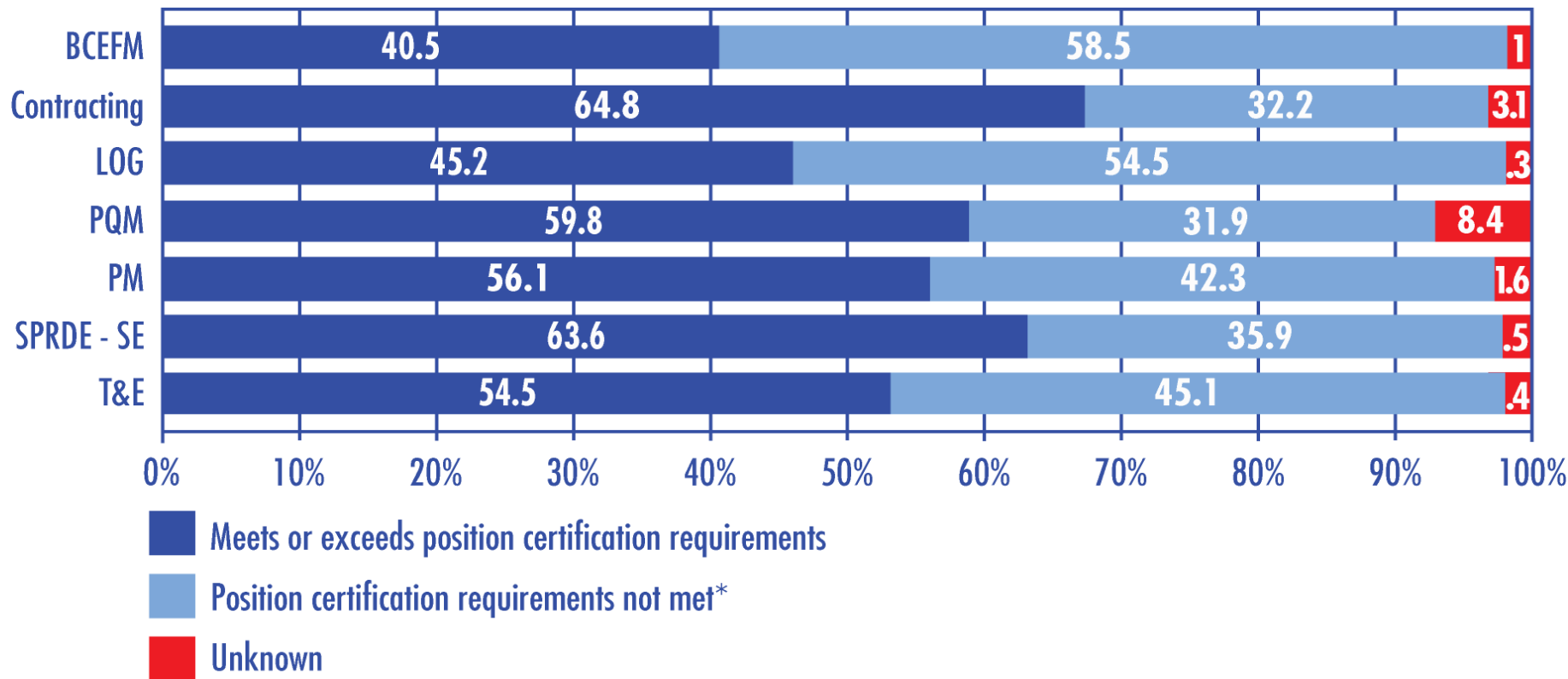


Note: There are 903 null YOS records (111,266 + 903 null YOS records = 112,169)



Certification Rates as of 31 March, 2008

AT&L Workforce Certification Rates by Career Field (as of 31 March 2008)

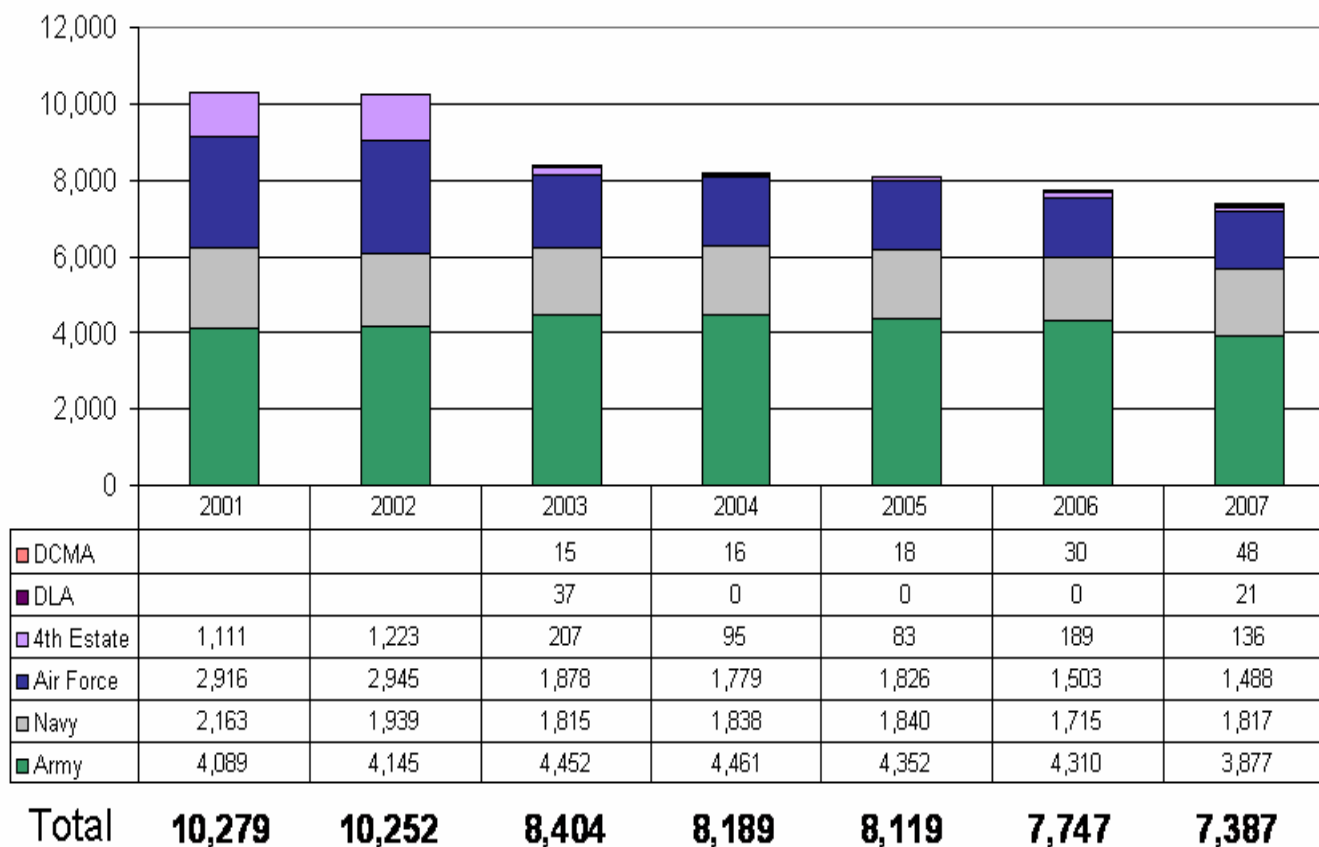


* The "not met" category includes workforce members who have been in their positions for less than 24 months. These workforce members are in a "grace period" and in compliance with DAWIA policy.



Career Field Analysis - BCEFM

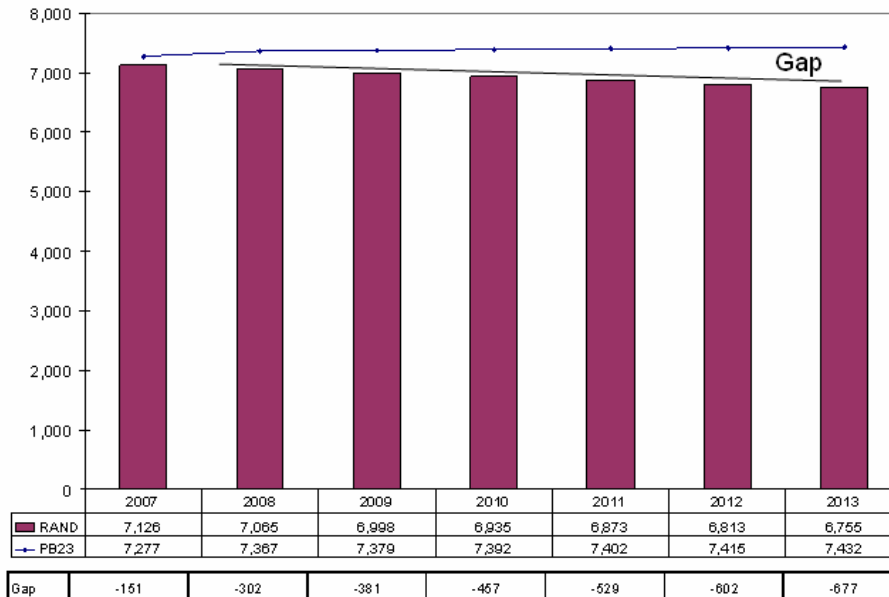
BCEFM Count History
(FY01 - FY07)(Civilian + Military)





Career Field Analysis – Projected Future of BCEFM

BCEFM Acquisition Workforce Gap Assessment
Planned/Budgeted (PB23) vs Initial Forecast

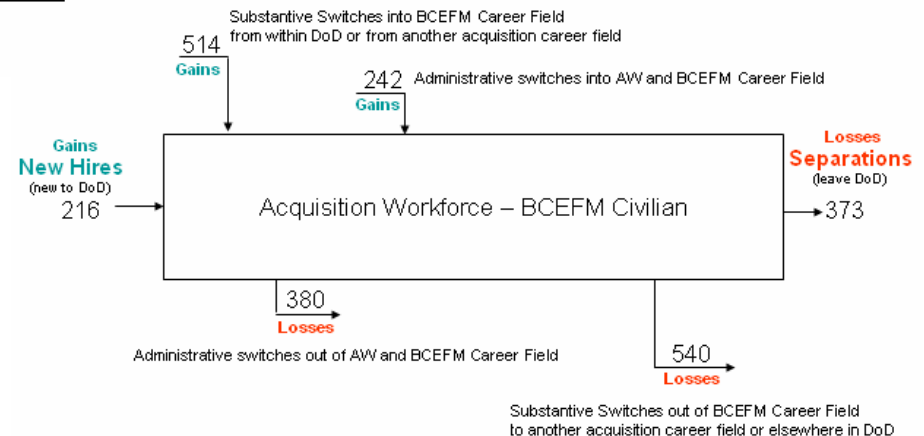


Source: AT&T IRI's RAND analysis input based on Defense Acquisition Workforce as of FY07; PB23 data from JAGC Component Submission to OSD PAE

Note: Negative numbers indicate a deficiency in projected workforce size relative to planned workforce size.

We need strategic decisions and tactical action to support BCEFM!

Defense Acquisition BCEFM Workforce New Hires, Switch In/Out, Separations (FY07)

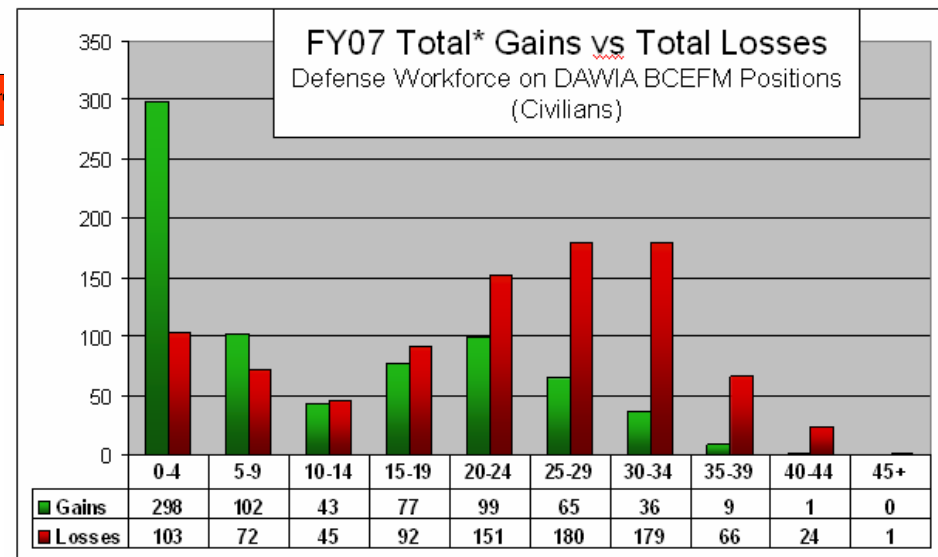
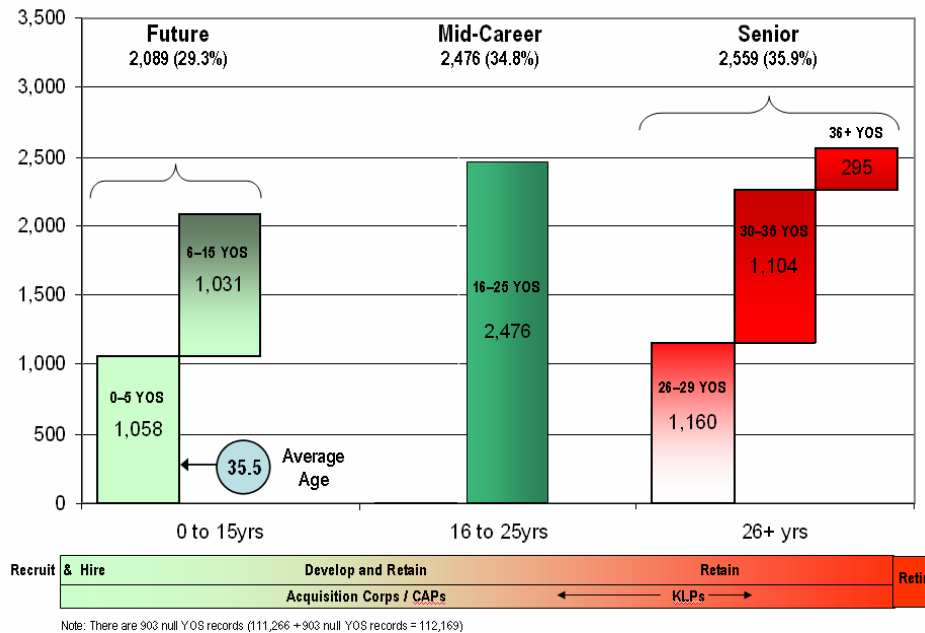




BCEFM WLM and Gains/Losses

AT&L Workforce Life-Cycle Model

Civilian Years of Service (YOS) BCEFM



Source: HCI graph based on RAND analysis using end of FY07 data from DMDC
*Gains and losses include substantive switches into and out of the BCEFM career field



Retirement Profile for BCEFM

Defense Acquisition Workforce – Retirement Risk Business, Cost Estimating, Financial Management

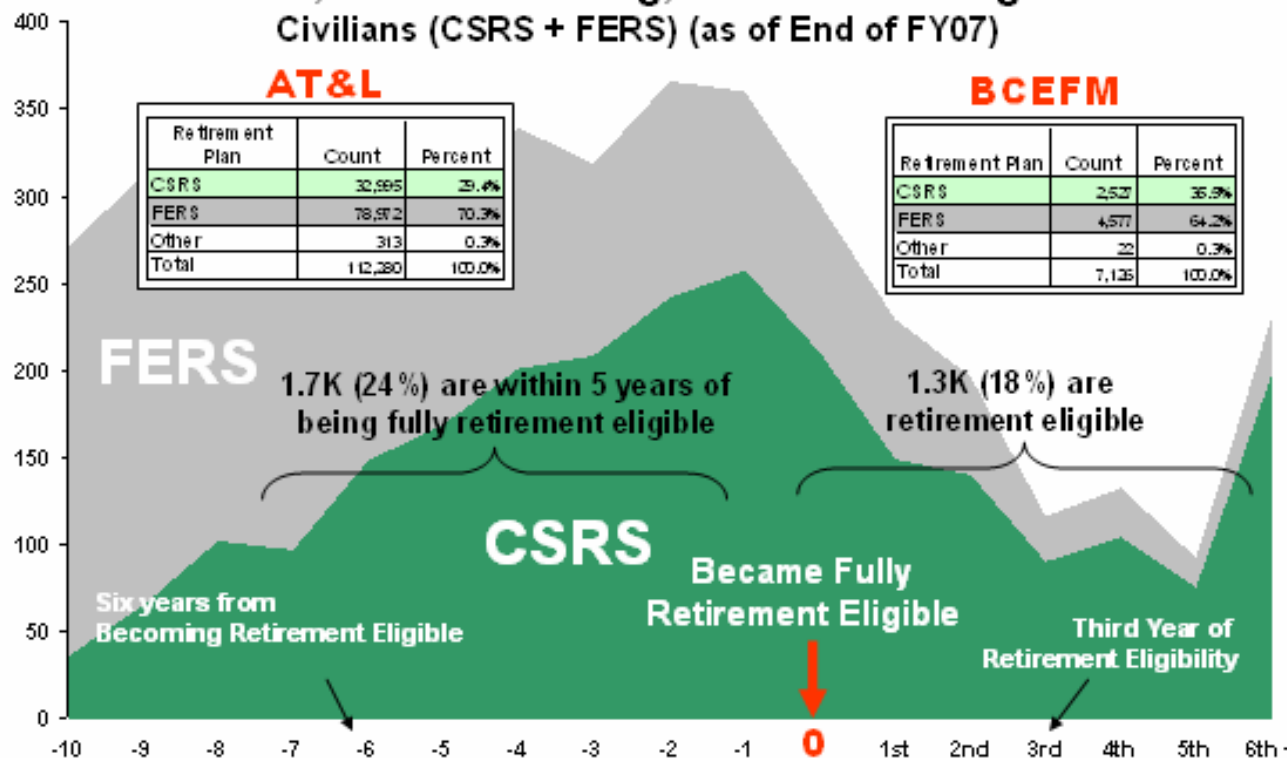
Civilians (CSRS + FERS) (as of End of FY07)

AT&L

Retirement Plan	Count	Percent
CSRS	32,995	29.4%
FERS	78,912	70.3%
Other	313	0.3%
Total	112,280	100.0%

BCEFM

Retirement Plan	Count	Percent
CSRS	2,527	35.9%
FERS	4,577	64.2%
Other	22	0.3%
Total	7,125	100.0%



		<-10	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	0	1st	2nd	3rd	4th	5th	6th +
Total	Percent	36.6%	3.8%	4.4%	4.4%	4.2%	4.7%	4.4%	4.8%	4.5%	5.2%	5.1%	4.1%	3.2%	2.8%	1.7%	1.9%	1.3%	3.3%
	Number	2,698	270	313	316	300	334	310	339	318	367	360	295	231	196	118	136	92	284
CSRS	Percent	1.6%	1.4%	2.6%	4.0%	3.8%	5.9%	6.7%	8.0%	8.2%	9.6%	10.2%	8.3%	5.9%	5.6%	3.6%	4.1%	3.0%	7.8%
	Number	38	36	65	102	87	148	169	261	268	242	267	210	148	140	90	104	75	196
FERS	Percent	55.8%	5.1%	5.4%	4.7%	4.4%	4.0%	3.1%	3.0%	2.4%	2.7%	2.3%	1.9%	1.7%	1.2%	0.6%	0.6%	0.4%	0.7%
	Number	2,666	234	247	213	203	165	140	138	110	124	103	85	80	56	26	28	17	33
Other (22)																			



Action Plan for the Future

- Continue to evolve analysis to further drive data driven decision making
- Continue community broad engagement
 - Continued engagement with Military components and 4th Estate
 - Workforce Planning Work Groups
 - Analysis Day with Military Services and 4th Estate
 - Recruiting Consortium participation
- Prepare for 852 report on performance of funding and impact to workforce
- Expand partnerships with organizations (RAND) to build robust, repeatable, consistent, and accurate tools for analysis